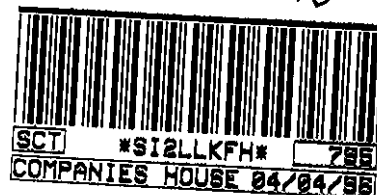


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STANDARD LIFE
(HOLDINGS) LIMITED

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
15 NOVEMBER 1995



Registered in Scotland Number SC123321

REPORT AND ACCOUNTS

STANDARD LIFE (HOLDINGS) LIMITED

Directors : J F H Trott, BA (Chairman)
G A Ball, FCA
I C Lumsden, MA FFA
J Stretton, BA FFA

Chief
Executive : A C Burton, ACII

Secretary : D D Fotheringham, FFA

Registered in Scotland Number SC123321

STANDARD LIFE (HOLDINGS) LIMITED

REPORT BY THE DIRECTORS

The directors submit their Report and Accounts for the year ended 15 November 1995.

Annual General Meeting

As permitted by Section 366A of the Companies Act 1985, the Company has passed an elective resolution to dispense with the holding of an annual general meeting.

Profit and dividend

	£
The profit after tax for the year was	2,000,000
Balance brought forward	-
	2,000,000
Dividend	2,000,000
Balance carried forward	-

The directors approved payment of a dividend of £2,000,000 out of the accumulated profits available for distribution.

Principal activities and business review

The principal activity of the Company is to act as a holding company. Its subsidiary, Standard Life Fund Management Limited, trades as a unit trust and personal equity plan manager.

Future developments

The Group intends to pursue activities in the financial services sector as opportunities arise.

Directors and their interests

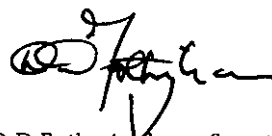
The directors, who were in office throughout the year, are shown on page 1.

The appointment of directors is not subject to retirement by rotation. None of the directors has a beneficial interest in the shares of the Company, which is a wholly owned subsidiary of The Standard Life Assurance Company.

Auditors

The auditors, Price Waterhouse, Chartered Accountants, are willing to continue in office.

On behalf of the Board of Directors



D D Fotheringham, Secretary

Edinburgh, 27 February 1996

STANDARD LIFE (HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 15 November 1995

	Notes	1995 £	1994 £
Dividends received from shares in group undertakings		2,500,000	-
Profit on ordinary activities before taxation		2,500,000	-
Tax on profit on ordinary activities	3	500,000	-
Profit on ordinary activities after taxation		2,000,000	-
Retained profit brought forward		-	-
		2,000,000	-
Dividend		2,000,000	-
Retained profit carried forward		-	-

There are no recognised gains or losses other than the profit for the year.

The profit for the year relates wholly to continuing activities.

The Notes on page 6 are an integral part of these Accounts.

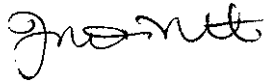
STANDARD LIFE (HOLDINGS) LIMITED

BALANCE SHEET

on 15 November 1995

	Note	1995 £	1994 £
INVESTMENT			
Shares in subsidiary undertaking	6	<u>5,000,001</u>	<u>5,000,001</u>
CAPITAL AND RESERVES			
Called up share capital	7	<u>5,000,001</u>	<u>5,000,001</u>

On behalf of the Board of Directors.



J F H Trott Director

Edinburgh, 27 February 1996

The Notes on page 6 are an integral part of these Accounts.

STANDARD LIFE (HOLDINGS) LIMITED

CASH FLOW STATEMENT

for the year ended 15 November 1995

	1995		1994	
	£	£	£	£
Returns on investments and servicing of finance				
Dividend received from subsidiary undertaking	2,000,000		-	
Dividend paid	(2,000,000)		-	
	<u> </u>		<u> </u>	
Net cash inflow from returns on investments and servicing of finance		-		-
		<u> </u>		<u> </u>
Increase in cash and cash equivalents		-		-
		<u> </u>		<u> </u>

The Notes on page 6 are an integral part of these Accounts.

STANDARD LIFE (HOLDINGS) LIMITED

NOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Investment in subsidiary

Shares in the subsidiary undertaking have been valued at cost.

2. AUDITORS' REMUNERATION

Auditors' remuneration amounting to £100 (£100) is payable by the parent undertaking. Auditors' remuneration in respect of non-audit services during the year amounted to £Nil (£Nil).

3. TAXATION

	1995 £	1994 £
Tax relating to FII	500,000	-

4. DIRECTORS' EMOLUMENTS

No emoluments are payable to the directors in respect of their services to the Company.

5. SHARES IN SUBSIDIARY UNDERTAKING

The following are particulars of the Company's subsidiary undertaking which is wholly owned:

Name	Country of registration	Year end	Share Class	Nature of Business
Standard Life Fund Management Limited	Scotland	15 November	Ordinary Shares	Unit trust and PEP management

In compliance with section 228 of the Companies Act 1985, Group accounts have not been prepared.

In the opinion of the directors, the value of investment in the subsidiary undertaking is not less than that shown in the company balance sheet.

6. CALLED UP SHARE CAPITAL

	Authorised		Allotted, Called up and Fully Paid		
	£	No	1995 Value	1994 No	Value
Ordinary Shares of £1 each	20,000,000	5,000,000	£5,000,000	5,000,000	£5,000,000
Non voting Share of £1	1	1	1	1	1
	<u>20,000,001</u>	<u>5,000,001</u>	<u>£5,000,001</u>	<u>5,000,001</u>	<u>£5,000,001</u>

7. PARENT UNDERTAKING

The Company is a wholly owned subsidiary of The Standard Life Assurance Company which is registered in Scotland.

Copies of the accounts of the parent undertaking can be obtained at 3 George Street, Edinburgh EH2 2XZ.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In addition, the directors should take all reasonable steps to ensure that adequate accounting records are maintained, that the assets of the Company are safeguarded and that fraud and other irregularities are prevented or detected.

The directors are of the opinion that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the accounts of the Company for the year ended 15 November 1995 on a going concern basis and that applicable accounting standards have been followed.

AUDITORS' REPORT TO THE MEMBERS OF STANDARD LIFE (HOLDINGS) LIMITED

We have audited the accounts on pages 3 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described above the Company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 15 November 1995 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Price Waterhouse
Chartered Accountants
and Registered Auditors

EDINBURGH, 27 February 1996.